

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 18-42—sHB 5574**

*Finance, Revenue and Bonding Committee*

**AN ACT CONCERNING THE FAILURE TO FILE FOR CERTAIN  
GRAND LIST EXEMPTIONS, VALIDATING A CONNECTICUT GREEN  
BANK AGREEMENT AND CERTAIN ACTIONS OF THE CITY OF  
DERBY, CONCERNING PAYMENT OF A GRANT-IN-AID TO THE  
TOWN OF DARIEN AND THE CRITERIA OF CERTAIN MEMBERS OF  
SCHOOL GOVERNANCE COUNCILS AND EXTENDING A PROVISION  
CONCERNING REEMPLOYMENT OF CERTAIN TEACHERS**

**SUMMARY:** This act:

1. extends the statutory deadlines for taxpayers in Bristol, New Britain, Norwich, and Wallingford to file required claims for certain property tax exemptions;
2. authorizes the Connecticut Green Bank to use a special capital reserve fund (SCRF) to secure its obligations under an equipment lease-purchase agreement it entered into in December 2017, even though it did not receive the statutorily-required approvals before entering into the agreement;
3. validates certain actions taken by Derby's board of aldermen and officers and officials related to a personal services agreement (PSA) between the state and the town of Derby, and requires the Office of Policy and Management (OPM) to pay the city \$89,906.50 for specified invoices related to the PSA;
4. requires the OPM secretary to pay \$464,289 as a grant to Darien from the Small Town Economic Assistance Program (STEAP) to reimburse it for certain project costs, regardless of contract provisions between the town and the Department of Energy and Environmental Protection (DEEP);
5. specifies that elementary, middle, and high school governance councils may include students' parents or guardians who are public officials (§ 8); and
6. extends, by two years, a provision allowing certain retired teachers and administrators to exceed the annual earnings limit without having to pay back the excess to the Teachers Retirement System (TRS).

**EFFECTIVE DATE:** July 1, 2018, except the provisions concerning the Green Bank, Derby, Darien, and retired teachers and administrators are effective upon passage.

**§§ 1-4 — FAILURE TO FILE FOR CERTAIN PROPERTY TAX  
EXEMPTIONS**

## OLR PUBLIC ACT SUMMARY

The act allows taxpayers in four municipalities to claim a property tax exemption, for the property and grand lists shown in Table 1, even though they missed the November 1 filing deadline.

**Table 1: Exemption Deadline Waivers**

| <b>§</b> | <b>Municipality</b> | <b>Exemption</b>  | <b>Grand List</b> |
|----------|---------------------|---|-------------------|
| 1        | New Britain         | Machinery and equipment used for manufacturing, biotechnology, and recycling (§ 12-81(76))  | 2016              |
| 2        | Bristol             | Machinery and equipment used for manufacturing, biotechnology, and recycling (§ 12-81(76))  | 2016 & 2017       |
| 3        | Wallingford         | Specified new commercial motor vehicles used exclusively to transport freight for hire (§ 12-81(74))  | 2016              |
| 4        | Norwich             | Property owned, or held in trust for, any corporation organized exclusively for scientific, educational, literary, historical, or charitable purposes and used exclusively for such purposes or preserving open space land (§ 12-81(7)) | 2016 & 2017       |

It does so by waiving the deadline if the taxpayer files for the exemption by July 31, 2018, and pays the statutory late filing fee. In each case, the tax assessor must confirm that he or she received the fee, verify the property's eligibility for the exemption, and subsequently approve the exemption. The municipality must refund any taxes paid on the property as if the claim was filed in a timely manner. In the case of Norwich, the municipality must also refund any interest and penalties paid on the property as if the claim was filed in a timely manner.

### § 5 — CONNECTICUT GREEN BANK

Existing law allows the Green Bank to issue bonds secured by a SCRF, subject to the (1) approval of the OPM secretary and state treasurer, or their deputies, and (2) Green Bank determining and documenting that project revenue will be sufficient to pay the bond principal and interest and other specified costs. The act authorizes the Green Bank to secure, with a SCRF, its obligations to make basic rental payments, consisting of principal and interest, under the equipment lease-purchase agreement it entered into in December 2017 for the installation of solar equipment at various locations of the Connecticut State Colleges and Universities. The authorization applies as long as the Green Bank obtains the required approvals after the obligation's issuance and regardless of whether the obligation is established in the form of a lease agreement.

### § 6 — PSA BETWEEN THE STATE AND DERBY

The act validates all acts, votes, and proceedings of Derby's board of alderman and officers and officials on and after April 27, 2017, relating to the PSA (CPAP 2017-04) between the state and Derby for the Atlantic Field Project (DEPA00029210012). It requires OPM to pay Derby a grant of \$89,906.50 to reimburse it for four invoices for goods and services rendered before September 2, 2017, in reliance on the project's PSA.

## OLR PUBLIC ACT SUMMARY

### § 7 — STEAP GRANT TO DARIEN

The act requires the OPM secretary to pay a \$464,289 STEAP grant to Darien to reimburse the town for dredging Gorham Pond on the Goodwives River, installing a fish ladder, and repairing the Upper Gorham Pond dam. OPM must do so regardless of contract provisions between the town and DEEP (contracts 14208 and 14209).

### § 9 — REEMPLOYMENT PAY FOR RETIRED TEACHERS AND ADMINISTRATORS

The TRS law generally limits the amount a retired teacher or administrator can earn working at a school district while still receiving his or her TRS pension. With certain exceptions, such a retiree may earn up to 45% of the maximum salary for his or her assigned position and still receive a TRS pension; if the retiree's earnings exceed the limit on an annual basis, he or she must reimburse the TRS for the excess.

The act extends by two years, from July 1, 2018 to July 1, 2020, an exception that allows a reemployed teacher or administrator to exceed this 45% limit if he or she (1) was receiving retirement benefits based on 34 or more years of service, (2) was reemployed in an alliance district, and (3) was employed in that district on July 1, 2015.